

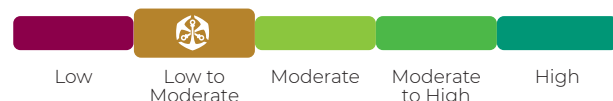


INVEST WITH FAITH

OLD MUTUAL ALBARAKA INCOME FUND

FUND INFORMATION

RISK PROFILE



RECOMMENDED INVESTMENT TERM



BENCHMARK:

STeFI Composite Index

ASISA CATEGORY:

South African – Multi-Asset – Income

FUND MANAGER(S):

Maahir Jakoet & Fawaz Fakier
(Old Mutual Investment Group)

LAUNCH DATE:

31/03/2020

SIZE OF FUND:

R1.7bn

DISTRIBUTIONS: (Quarterly)*

Date	Dividend	Shari'ah Permissible Income	Total	Total %
30/09/2023	0.21c	3.19c	3.40c	1.62%
30/06/2023	0.16c	3.15c	3.30c	1.56%
31/03/2023	0.21c	3.02c	3.23c	1.53%
31/12/2022	0.05c	3.22c	3.27c	1.54%

* Class A fund distributions

TAX REFERENCE NUMBER:

9188/842/24/0

CODES	JSE	ISIN
Class A	OMFA	ZAE000278172
Class B1	OMAB1	ZAE000278206

ESG FUND RATING

The environmental, social and governance (ESG) fund ratings are based on the exposure of the underlying assets held to industry-specific ESG risks and the ability to manage those risks relative to peers.

FUND OBJECTIVE

The fund aims to offer investors an ethical investment vehicle providing income and relative capital stability over time. Income will be provided to clients through investment in Shari'ah compliant short- and longer-term SA and global non-equity securities.

The Shari'ah Supervisory board oversees adherence to the applicable Shari'ah principles. This fund specifically adheres to the standards of the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI) as guided by the Shari'ah Supervisory Board.

WHO IS THIS FUND FOR?

This fund is for investors wanting capital stability from underlying Shari'ah investments, as well as income which will be provided to clients through Shari'ah compliant short-term and long-term local and offshore securities.

NON-PERMISSIBLE INCOME

Incidental income deemed to be non-permissible is paid to the charitable trust elected by the Shari'ah Supervisory Board in line with the principles of Shari'ah. Non-permissible income does not form part of the investor's income.

INVESTMENT MANDATE

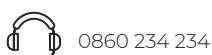
The fund is a Shari'ah compliant multi-asset income fund that offers investors access to local and international asset classes including equity, liquid assets and non-equity securities, such as sukuks (Islamic bonds) and equity conduits. It may also invest in the portfolios of other unit trusts, both locally and those registered in countries with acceptable regulatory environments. This fund may have a maximum effective equity exposure (including international equity) of 10% and a maximum effective property exposure (including international property) of 25% of the market value of the portfolio. The fund will have a combined exposure minimum of 7.5% of net asset value to listed equity and listed property securities.

REGULATION 28 COMPLIANCE

The fund complies with retirement fund legislation. It is therefore suitable as a stand-alone fund in retirement products where Regulation 28 compliance is specifically required.

CONTACT DETAILS

Funds are also available via Old Mutual Wealth and MAX Investments.



0860 234 234

www.oldmutualinvest.comunittrusts@oldmutual.com[Invest now](#)

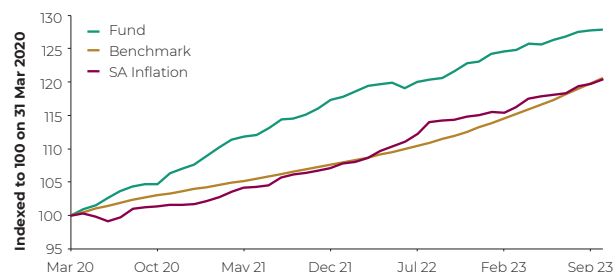


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FUND PERFORMANCE AS AT 31/10/2023

PERFORMANCE SINCE INCEPTION



Past performance is no indication of future performance.

Risk Statistics (Since Inception)

Maximum Drawdown	-0.7%
Months to Recover	2
% Positive Months	95.3%
Annual Standard Deviation	1.5%
Sharpe Ratio	1.14

Risk statistics are calculated based on monthly performance data from inception of the fund.

% Performance (Annualised)

	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception ¹
Fund (Class A)	5.1%	6.9%	-	-	-	7.1%
Fund (Class B1) ²	5.2%	7.0%	-	-	-	7.2%
Benchmark	7.7%	5.4%	5.9%	6.3%	6.4%	5.4%

¹ Performance since inception of the fund.

² Class B1 is available through investment platforms such as Old Mutual Wealth.

Performance measurements over periods shorter than the recommended investment term may not be appropriate. Past performance is no indication of future performance. Fund returns are net of fees and measured against the benchmark.

Rolling 12-Month Return	Highest	Average	Lowest
Fund (Since Inception)	10.4%	7.2%	4.5%

FUND COMPOSITION

ASSET & PERCENTAGE ALLOCATION

Sukuks	73.8%
Shariah Compliant Cash	15.0%
SA Equities	6.3%
International Equities	2.8%
SA Property	2.1%

PRINCIPAL HOLDINGS AS AT 30/09/2023

Holding	% of Fund
ABSA Ltd 9.9% 07/11/2024	2.5%
ABSA Ltd 9.12% 08/11/2023	2.5%
Standard Ltd 8.554% 02/04/2024	2.4%
Standard Ltd 9.781% 02/04/2025	2.3%
FirstRand Ltd 9.7991671% 18/01/2027	2.1%
FirstRand Ltd 10.064305% 31/03/2027	2.1%
FirstRand Con 11.315047% 26/07/2027	2.1%
FirstRand 11.31505% 17/08/2027	2.1%
Investec Ltd 8.07% 24/07/2025	2.1%
ABSA Ltd 7.65% 07/05/2025	2.0%



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PORTFOLIO MANAGERS COMMENTARY AS AT 30/09/2023

OLD MUTUAL INVESTMENT GROUP

**MAAHIR JAKOET**

- BCom (Hons) UCT, MBA
- 12 years of investment experience

**FAWAZ FAKIER**

- CFA, FRM, BCom honours (Finance)
- 16 years of investment experience

Global risk-on sentiment buoyed equity markets at the start of the third quarter, as expectations had shifted from a US recession towards a soft-landing scenario. This sentiment soured early in August as signs of slowing growth in the UK, Europe and China and the US Federal Reserve's (Fed) hawkish rhetoric outweighed any optimism. Ultimately, global equities delivered poor returns for the quarter with the MSCI All Country World Index (ACWI) down 3.4% in US dollars and emerging market shares down 2.9%.

US government bond yields continued to soar, offering investment competition to shares and exerting pressure on longer-duration equities. The 10-year US Treasury yield reached a 16-year high of 4.6%. Fiscal concerns and monetary policy expectations have been a key driver, with the Fed's renewed hawkishness surprising investors. Similarly, the European Central Bank raised its key interest rate to 4% and emphasised its intention to keep rates high for longer to quell inflation. Oil prices have climbed closer to US\$100 a barrel on expectations of tighter supply – a 28% increase this quarter, which poses a significant risk to inflation, and therefore bond yields.

A subdued Chinese recovery relative to expectations has negatively impacted global growth, driven by a depressed property market and slowing demand. This was reflected in equity returns, which declined by 3.7% in US dollars over the quarter. Officials have resorted to policy support measures to aid the economic recovery and improve liquidity in the financial system.

The South African economy surpassed expectations with real gross domestic product expanding by 0.6% in quarter two. While encouraging, there remains a myriad of known challenges constraining economic growth, including energy and logistical constraints. Consequently, and with inflation within the South African Reserve Bank's (SARB) target range, the Monetary Policy Committee voted to keep the repurchase rate unchanged at 8.25% in September.

Commodity price weakness hindered returns from resource counters, which, along with industrial shares, dragged down the local equity index. The FTSE/JSE Capped SWIX delivered -3.8% for the quarter, bringing the year-to-date return to -0.3%. Financial shares outperformed the local equity market. Returns from bonds were muted with the FTSE/JSE All Bond Index (ALBI) delivering -0.4%, underperforming both inflation-linked bonds and cash. The rand made a strong recovery in July before erasing all gains as concerns over global growth and risk-off sentiment lifted the safe-haven US currency. The rand ended the quarter 0.4% weaker than the US dollar.

Against this challenging backdrop, the fund's benchmark (STeFI) delivered 7.5 % over 12 months while the fund returned 5.9%. Sukuks and local equity were the main contributors to performance whilst the local property exposure detracted over the past 12 months.

The hawkish stance by the South African Reserve Bank (SARB) highlighted the upside inflation risks emanating from the recent sharp increases in international oil prices and the weaker (and volatile)

ZAR exchange rate. The SARB emphasised that it would prefer to see interest rates anchored at the inflation target mid-point of 4.5%. If this scenario plays out, we should see a stabilisation in Sukuk rates. The long end of the Sukuk curve has steepened and our view is to lock in good rates and increase duration.

Regarding the minor equity exposure we hold in the fund, domestically, we also face challenges with fiscal risks, political uncertainty and poor governance. This will affect SA GDP growth – however, our equity model is observing some value in SA Inc. counters. Moreover, China's stimulus has been less forthcoming than expected. In addition to rising finance costs, Purchasing Managers' Indices (PMIs) and EPS revisions are unlikely to be higher. Therefore, in the near term, we expect increased volatility, and the local as well as the global outlook is uncertain.

The fund's mandate allows for a maximum of 10% in equity excluding property. Whilst equity is a small component, having a quality and value factor bias can help the small equity exposure extend gains above Sukuk returns over the long term. The fund's asset allocation currently comprises roughly 2.2% in property, 2.0% in global equity, 6.4% in local equity and the balance in Islamic fixed income instruments (Sukuk). In the current market environment, we are constantly on the lookout for high-quality defensive characteristics within our equity opportunity set. The Old Mutual Albaraka Income Fund provides an attractive yield to our investors with a duration of approximately two years.

Source: Old Mutual Investment Group as at 30/09/2023

OTHER INVESTMENT CONSIDERATIONS

MINIMUM INVESTMENTS*:

Monthly: R500
Lump sum: R10 000
Ad hoc: R500

* These investment minimums are not limited to this fund. They can be apportioned across the funds you have selected in your investment contract.

INITIAL CHARGES (Incl. VAT):

Initial adviser fee will be between 0% and 3.45%.

ONGOING

	Class A	Class B1
Annual service fees (excl. VAT)	0.60%	0.50%

Please note: Class B1 is available through investment platforms such as Old Mutual Wealth.

The fee is accrued daily and paid to the management company on a monthly basis. Other charges incurred by the fund, and deducted from its portfolio, are included in the TER. A portion of Old Mutual Unit Trusts' annual service fees may be paid to administration platforms.

Total Expenses (Incl. Annual Service Fee) (30/09/2023)	36 Months		12 Months	
	Class A	Class B1	Class A	Class B1
Total Expense Ratio (TER) Incl. VAT	0.70%	0.59%	0.70%	0.58%
Transaction Cost (TC)	0.01%	0.01%	-	-
Total Investment Charge	0.71%	0.60%	0.70%	0.58%

Please note: Class B1 is available through investment platforms such as Old Mutual Wealth.

TER is a historic measure of the impact the deduction of management and operating costs has on a fund's value. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER, which includes the annual service fee, may not necessarily be an accurate indication of future TERs. Transaction Cost (TC) is a necessary cost in administering the fund and impacts fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER.



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DISCLAIMER

We aim to treat our clients fairly by giving you the information you need in as simple a way as possible, to enable you to make informed decisions about your investments.

- We believe in the value of sound advice and so recommend that you consult a financial planner before buying or selling unit trusts. You may, however, buy and sell without the help of a financial planner. If you do use a planner, we remind you that they are entitled to certain negotiable planner fees or commissions.
- Investments in unit trusts should ideally be a medium- to long-term strategy that takes cognisance of the Recommended Investment Term of each individual fund as stipulated in its Minimum Disclosure Document. A fund's or an investment strategy's ability to provide benchmark performance, or to achieve its performance target over its Recommended Investment Term on a net of fee basis may be impacted by market illiquidity, differences in fund and market pricing points, concentration risk and other local (and where applicable global) events, such as market and political developments, macro-economic factors and healthcare risks such as Covid-19, amongst others. Your fund value may therefore go up or down and the investment capital or return on your investment is not guaranteed. How a fund has performed in the past does not necessarily indicate how it will perform in the future.
- The fund fees and costs that we charge for managing your investment are disclosed in this Minimum Disclosure Document (MDD) and in the table of fees and charges, both of which are available on our public website or from our contact centre.
- Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained, free of charge, from Old Mutual Unit Trust Managers (RF) (Pty) Ltd, from our public website at www.oldmutualinvest.com or our contact centre on 0860 234 234.
- Our cut-off time for client instructions (e.g. buying and selling) is at 15:00 each working day for all our funds, except for our money market funds, where the cut-off is at 12:30.
- The valuation time is set at 15:00 each working day for all our funds, excluding our money market funds which is at 13:00, to determine the daily ruling price (other than at month-end when we value the Old Mutual Index Funds and Old Mutual Multi-Managers Fund of Funds range at 17:00 close). Daily prices are available on the public website and in the media.
- Unit trusts are traded at ruling prices, may borrow to fund client disinvestments and may engage in scrip lending. The daily ruling price is based on the current market value of the fund's assets plus income minus expenses (NAV of the portfolio) divided by the number of units on issue.
- Excessive daily withdrawals from the fund may place the fund under liquidity pressures. In such circumstances a process of ring-fencing of withdrawal instructions and/or managed payouts over time may be followed.
- This fund holds assets in foreign countries and therefore it may have risks regarding liquidity, the repatriation of funds, political and macroeconomic situations, foreign exchange, tax, settlement, and the availability of information.
- Income funds derive their income primarily from interest-bearing instruments as defined. The yield is a current yield and is calculated daily.
- The Net Asset Value to Net Asset Value figures are used for the performance calculations. The performance quoted is for a lump sum investment. The performance calculation includes income distributions prior to the deduction of taxes and distributions are reinvested on the ex-dividend date. Performances may differ as a result of actual initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Annualised returns are the weighted average compound growth rates over the performance period measured. Performances are in ZAR and as at 31 October 2023. Sources: Morningstar and Old Mutual Investment Group (FSP no. 604).
- MSCI ESG Research LLC's ("MSCI ESG") Fund Metrics and Ratings ("the information") provide environmental, social and governance data with respect to underlying securities within more than 31 000 multi-asset class mutual funds and ETFs globally. MSCI ESG is a registered investment adviser under the Investment Advisers Act of 1940. MSCI ESG materials have not been submitted to, nor received approval from the US SEC or any other regulatory body. None of the information constitutes an offer to buy or sell, or a promotion or recommendation of any security, financial instrument or product or trading strategy, nor should it be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the information can be used to determine which securities to buy or sell or when to buy or sell them. The information is provided "as is" and the user of the information assumes the entire risk of any use it may make or permit to be made of the information.

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Old Mutual Unit Trust Managers (RF) (Pty) Ltd, registration number 1965 008 47107, is a registered manager in terms of the Collective Investment Schemes Control Act 45 of 2002. Old Mutual is a member of the Association for Savings and Investment South Africa (ASISA). Old Mutual Unit Trust Managers has the right to close the portfolio to new investors in order to manage it more efficiently in accordance with its mandate.

Trustee: Standard Chartered Bank, PO Box 782080, Sandton 2146. Tel: +27 11 217 6600, Fax: +27 11 217 6642.

CONTACT DETAILS

Funds are also available via Old Mutual Wealth and MAX Investments.



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